

APPENDIX C.

Contract Data Collection

Keen Independent compiled data about ADOT and local agency contracts and the firms used as prime contractors and subcontractors on those contracts. Keen Independent sought sources of data that consistently included information about prime contractors and subcontractors on both federally- (FHWA, FTA and FAA) and state-funded contracts, regardless of firm ownership or DBE status. The study team compiled both USDOT-funded and state-funded construction, engineering and other transportation-related contracts. Data collection encompasses contracts awarded by local agencies receiving FHWA, FTA, FAA or state funds through the Local Public Agency Program.

Appendix C describes the study team's utilization data collection processes in four parts:

- A. ADOT contract and agreement data;
- B. Local Public Agency (LPA) Program contract data;
- C. ADOT review; and
- D. Data limitations.

A. ADOT Contract and Agreement Data

Keen Independent collected data on transportation-related construction and engineering contracts that ADOT awarded during the study period. The study team also collected data for local government contracts that ADOT administers through the Local Public Agency (LPA) Program.

ADOT construction projects. Keen Independent collected data on transportation-related construction prime contracts and associated subcontracts that ADOT awarded from July 1, 2007 through June 30, 2013. Throughout, the data collection focused on transportation-related contracts such as highway construction, road maintenance and related activities.

The primary information sources for construction contracts were ADOT Contracts and Specifications (C&S) Section Excel spreadsheets identifying dollars going to prime contractors and subcontractors for each project. ADOT created these spreadsheets by running reports from its contract database (FAST) to provide information such as:

- Project and contract number;
- Description of work;
- Award date;
- Award amount;
- Amendment or change order amounts (when applicable);
- Location of work (i.e., county);
- Whether the contract included federal funding;
- Prime contractor name;
- Whether DBE goals were applied, and if so, level of goal; and
- For subcontractors, firm names, dollar amounts and type of work performed.

Engineering-related contracts. The study team also collected data on transportation-related engineering contracts. ADOT administers consulting work through consultant contracts and “task orders.” Keen Independent identified engineering-related contracts from an Agreement Database provided by ADOT’s Engineering Consultant Section (ECS). ECS created a spreadsheet for consulting and other contracts that had activity (awards, amendments or task orders) during the July 2007 through June 2013 study period. Keen Independent reviewed these data to develop a refined list of contracts.

- ADOT administered some on-call contracts during the study period. Keen Independent only included in the utilization analysis those task orders under on-call contracts that were issued during the study period.¹ This included task orders executed during the study period for contracts awarded prior to July 2007.
- When ADOT augmented pre-July 2007 contracts through contract amendments, the dollar amounts for these amendments were included in the utilization analysis.
- Many engineering-related contracts in the utilization analysis were not on-call and were awarded within the July 2007 through June 2013 time period. The total dollar amounts for these contracts including any contract amendments were counted in the utilization analysis during the study period.

The final data for engineering contracts included the following information about the agreement or task order:

- Agreement number (and task order or amendment number);
- Description of work;
- Award date;
- Award and payment amounts;
- Project location;
- Whether the contract involved federal funding;
- Whether DBE contract goals were set on the project (and level of goal);
- Prime consultant name and address; and
- For each subconsultant (if any), name, address, work type and dollar amount.

After collecting the necessary data about transportation-related engineering prime contracts and subcontracts, the study team created electronic prime contract and subcontract tables for use in the utilization and other analyses.

ADOT Multimodal Planning projects. The study team collected data on transportation-related planning contracts. ADOT administers this consulting work through consultant contracts and “task orders.” Keen Independent identified planning-related contracts from a Task-Order Database provided by ADOT’s Multimodal Planning Division (MPD). MPD created a spreadsheet for

¹ Keen Independent treated each task order as a stand-alone contract element.

consulting and other contracts that had activity (awards, amendments or task orders) during the July 2007 through June 2013 study period. Keen Independent reviewed these data to develop a refined list of contracts.

ADOT Procurement Section projects. The study team also collected information on transportation-related Procurement contracts. ADOT's Procurement Section uses purchase orders for supply and other procurements as well as certain contracts for consulting and maintenance services. Keen Independent identified consulting-, supplier- and maintenance-related contracts from a Contracts Database provided by ADOT's Procurement Section. Procurement provided a spreadsheet that had activity (awards, amendments or task orders) during the July 2007 through June 2013 study period. Keen Independent reviewed these data to develop a refined list of contracts.

B. Local Public Agency (LPA) Program Contract Data

Under its Stewardship Agreement with FHWA, ADOT administers FHWA funding that goes to local agencies throughout the state. ADOT established the Local Public Agency (LPA) Section to administer these local agency contracts. Sometimes ADOT awards those contracts on behalf of the local agencies. In other instances, cities, counties, regional transportation agencies, other local agencies and tribal entities award transportation contracts and ADOT reimburses the local agencies using FHWA or state funds.²

When FHWA funds are involved, FHWA requires local agencies to comply with federal requirements including implementation of the Federal DBE Program.

ADOT funds some of the local agency projects solely using state funds. In addition to any federal requirements, Arizona state law governs local government public works contracting.

Certification Acceptance agencies. Eight Certification Acceptance (CA) agencies self-advertise, award and manage their own engineering and construction contracts awarded using LPA money from ADOT. The eight agencies are two counties (Maricopa and Pima counties) and six cities (Chandler, Mesa, Phoenix, Scottsdale, Tempe and Tucson). ADOT administers the advertising, awarding and managing of all other local agency construction and engineering contracts. (Occasionally, other local agencies request to administer engineering contracts once approved by ADOT.)

Data collection. ADOT's LPA Section provided a list of LPA contracts with activity during the July 2007 through June 2013 study period. These LPA data identified the local agency, a project description, funding source and agreement date.

² Sometimes LPA funds go to reimburse local agencies for work performed with their own forces. Such work is not included in the study.

Five of the eight Certification Acceptance (CA) agencies provided contract information as well, at the mutual request of ADOT and Keen Independent.³

- CA Program agency representatives were asked to provide the award amount or actual payment amounts to all prime contractors and subcontractors involved in the relevant project phases.
- Local agencies were asked to e-mail the data back to Keen Independent or ADOT. Contact information for Keen Independent and ADOT staff was provided if local agencies had any questions.

After compiling the data available from ADOT records and the CA agencies, Keen Independent reviewed project descriptions to ensure that the type of work involved was consistent with the transportation-related engineering and construction contracts examined in the study.

C. ADOT Review

ADOT reviewed Keen Independent contract data during several stages of the study process. The study team met with ADOT staff multiple times to review data collection, information the study team gathered, sample data for specific contracts and preliminary results. After Keen Independent developed an initial database for construction contracts, ADOT Contracts and Specifications Section staff conducted a detailed review of those data.

Keen Independent reviewed and incorporated ADOT feedback throughout the study process.

D. Data Limitations

Two limitations concerning contract data collection are worth noting.

- **ADOT Procurement contracts.** ADOT maintains comprehensive records about its prime contracts and most areas of subcontracting for its larger construction contracts. As previously discussed, state law requires listing of certain subcontractors at time of award of a construction contract as well as tracking of the value of subcontracts over the course of a contract. Even so, ADOT commitment and payment data for truckers, suppliers and certain other subcontract disciplines on its Procurement contracts were not complete. Although these limitations have little effect on Keen Independent's overall availability analysis, as the areas of data limitations also tend to be low dollar volume, ADOT should seek to improve data collection for Procurement contracts.
- **LPA contracts.** ADOT collects information about the construction and engineering firms local agencies use on LPA contracts that ADOT administers. ADOT does not collect information about the firms that the CA agencies use on LPA contracts that they administer themselves. ADOT directly communicated with the eight local Certification Acceptance (CA) agencies to obtain the contract data they maintained. Keen Independent was able to review data for all but three local agencies receiving funds through the LPA Section. These data limitations would not have a meaningful effect on the study results.

³ At the time of the Availability Study, data were not received from Cities of Chandler, Mesa or Tucson. Keen Independent will attempt to collect information from these agencies for the 2015 Disparity Study.